The golden rules of church finance management

by **Keith Hamilton**

Almost every day the news tells of another financial scandal. Corruption in America has become so commonplace that many Americans are now assuming even some of the most trusted institutions are corrupt. The church is not lost in this situation. In today's culture, the church cannot afford to be reactive, but remain proactive in managing its finances above reproach.

The following golden rules will help counterbalance today's atmosphere of mistrust regarding the management of church finances.

Financial managers should first be respected as spiritual leaders.

Often, churches ask individuals to serve in these trusted leadership roles because of their positions of leadership in the community and business world. However, their spiritual maturity should be considered first and foremost before asking them to help manage the church's finances. Ask about their personal devotional life and witnessing efforts. Also, a leader should be called by God to serve in these important leadership roles. The future direction of the church often falls on these individuals' shoulders.

Financial managers should maintain

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the highest possible integrity.

There should be not even a hint that church finances are not being managed properly. Adopt a policy that any purchases over a certain dollar amount must be placed up for competitive bidding. Don't award insurance coverage to a particular company just because the agent is a member. Business owners who belong to your church should welcome competitive bidding as an opportunity to provide the church with the best value. The "good ol' boy" system does not have a place in today's church. With such a lack of integrity in the marketplace, the church needs to stand fast.

Provide detailed financial reports to church members.

Creating detailed financial reports can be difficult. How much information is too much? While the church staff's compensation might need to be kept confidential for various reasons, the other aspects of church finances should be available to members who request it. Provide reports through annual financial reviews or on a monthly basis.

Enforce checks and balances at every level.

The church treasurer should not be involved in the receiving, counting, and depositing of church funds. Traditionally, the role of the church treasurer is to disburse, record, and report how the church is managing its funds. Also, different individuals should carrry out the roles of receiving, counting, and depositing the church's funds. If possible, create a rotation system of unrelated members to serve in these capacities.

Church members must have the final

say in financial matters.

While daily church financial management might be delegated to various staff members or committees, these individuals must remain accountable to the church at large. The church should never delegate total responsibility to a select group of individuals. It has been said that absolute power corrupts absolutely. Everyone needs accountability in financial management.

Financial managers must always remember that church assets are God's. He deserves honor in this important aspect of His work. The world is looking for people they can trust. How will God's church measure up?

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